(b) The Government has made it clear that such claims are ill-founded and self-serving. The Government is continuing to explore various options in order to send the wheat to Afghan people as early as possible. So far no wheat has been supplied to Afghanistan.

Price control regime under new drug policy

2092. SHRI R.P. GOENKA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether a new drug policy has been formulated;

(b) if so, the details thereof, including the fresh criteria laid down to bring/retain a drug under the price control regime;

(c) the steps proposed towards liberalisation of the drug industry and the mechanism evolved to counter attempts at cartelization by drug manufacturers, to ensure availability of essential and life saving medicines of good quality, at reasonable prices; and

(d) the specific measures outlined to attract additional investments and to achieve higher national R & D expenditure in the drug industry.

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE): (a) to (c) Government have recently announced the "Pharmaceutical Policy-2002", copies of which are available in Parliament library. The main objectives of this policy are *inter-alia*, ensuring abundant availability at reasonable price within the country of good quality essential pharmaceuticals of mass consumption and strengthening the indigenous capability for cost effective production. The policy provides for identifying the drugs for price regulation out of the basket of the items appearing in the National Essential Drug List and those considered important from the point of view of their use in various health programmes, in emergency care etc. There would be monitoring of price movement in other cases and, if necessary so to do in public interest, price of any formulation, including a non-Scheduled formulation, would be fixed or revised by the Government.

(d) A manufacturer producing a new drug, not produced elsewhere if developed through indigenous R & D or producing a drug in the country by a process developed through indigenous R&D and Patented under the Indian Patent Act, 1970 would be eligible for exemption from price control. Similarly, a formulation involving a new delivery system developed through indigenous

R&D and patented under the Indian Patent Act, 1970 would be eligible for exemption from price control. These exemptions would be available for the period specified in the policy. With a view to encouraging generation of intellectual property and facilitating indigenous endeavours in pharma R&D, appropriate fiscal incentives would be provided. The establishment of the Pharmaceutical Research & Development Support Fund has also been approved in principle.

India-Oman fertilizer plant

2093. SHRI RUMANDLA RAMACHANDRAIAH: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) Whether India and Oman have signed an initial agreement to build a $969 million fertilizer plant in the Gulf state:

(b) if so, whether the State-run Oman Oil Company would hold a 50 per cent stake in the project, while India's Krishak Bharti Co-operative limited (KRIBHCO) and Indian Farmers Fertilizers Co-operative (IFFCO) would hold the remaining 25 per cent each;

(c) if so, what are the details of the agreement reached; and

(d) by when this plant is likely to be set up?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE): (a) Government of India and Government of the Sultanate of Oman signed a Memorandum of Understanding on July 30, 1994 to initiate plans for construction of ammonia/urea complex in Oman.

(b) Yes, Sir.

(c) A Joint Venture Agreement was signed between Oman Oil Company, Krishak Bharti Co-operative Ltd. and Indian Farmers Fertilizers Co-operative Ltd. on 20th October, 2000. Subsequently, the following agreements have been installed by parties concerned to the project.

(i) Urea Off-take agreement and its related Direct Agreement.

(ii) Engineering Procurement and Construction Agreement.

(iii) Ammonia Off-take Agreement and its related direct Agreement.

(iv) Gas supply agreement and its related Direct agreement.

(d) The plant is likely to be set up by the middle of year 2005.